



AF2800

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

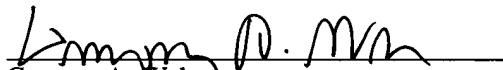
Assignee's Docket No.: 6253)
Group Art Unit: 2876 /)
Serial No.: 08/673,642)
Examiner: T. Le)
Filing Date: June 25, 1996)
Title: Portable Credit Card)
Verifier)

)

REPLY TO EXAMINER'S ANSWER

CERTIFICATE OF MAILING

I certify that this document is addressed to Mail Stop AF, Commissioner of Patents, PO Box 1450, Alexandria, VA 22313-1450, and will be deposited with the U.S. Postal Service, first class postage prepaid, on March 15, 2004.



Gregory A. Welte

SUMMARY OF REPLY

Point 1

The rejections of claims 1 and 8 are defective. The Examiner's Answer asserts that a combination of a Ziarno reference with a "well known" printer is obvious. The Answer also asserts that a combination of Ziarno with a "well known" wireless modem is obvious.

However, even if the Answer is correct, the Answer has merely shown that

- Ziarno-plus-printer is obvious
- and
- Ziarno-plus-modem is obvious.

That does not show the claims. Even if the Answer is correct, at best, it merely shows that two **SUB-SETS** of the claims are obvious.

But section 103 requires that the invention "as a whole" be shown obvious.

By analogy, assume that an inventor invents a new car which

-- has an engine which gets 200 miles per gallon

and

-- has brakes which stop from 60 mph to zero in ten feet.

The inventor claims car-plus-brakes-plus-engine.

If the PTO shows that (1) car-plus-brakes is obvious, and (2) car-plus-engine is obvious, nevertheless, that does not show that car-plus-brakes-plus-engine is obvious. That merely shows that two **SUB-SETS** of the invention are obvious.

In this example, and in the present invention, the invention, as a minimum, is the combination of the two sub-sets. That combination has not been shown to be obvious.

Point 2

The Answer repeatedly makes assertions of the following type:

Element A is "well known."

It is "well within the skill of the art" to combine A with the Ziarno reference.

However, the MPEP **specifically prohibits** this type of rejection. See MPEP § 2144.04(VI)(C) and § 2143.01, cited herein near page 6.

Point 3

In combining a printer with Ziarno, the PTO **completely redesigns the Ziarno reference**. The Brief explains this in detail. But a few points are here repeated.

Ziarno passes around portable credit card readers, at a banquet, to accept charitable contributions. Then, afterward, Ziarno loads the data into a computer, which verifies the credit cards with the credit card companies. Upon verification, a receipt is mailed to the donors (who have left the building). If verification fails, the donation is discarded.

The PTO modifies Ziarno by adding printers to the portable credit card readers, to give receipts immediately "because of our very human tendency to keep record of every financial transaction."

However:

-- There is no reason to do this, because, as explained, Ziarno already issues receipts.

-- Doing this, and nothing more, is impossible. The reason is that, to issue the receipt, you must validate the credit card. (Ziarno does that at the end of the banquet.) But Ziarno's portable devices have no validation capability. You must re-design those devices.

-- Ziarno expressly states that the devices should be devoted exclusively to collecting donations. Thus, the PTO's modification is **directly contrary** to Ziarno's own teaching.

Comment

Not all points made in this Summary are elaborated below. Some are considered self-explanatory.

END SUMMARY

REPLY TO EXAMINER'S ANSWER

The points raised by the Answer will be addressed in the sequence they appear therein.

Answer's Paragraph 1

The Answer, section 13, first paragraph, asserts that it is obvious to "use a wireless modem for Ziarno's wireless system." Reasons given are that

- Wireless modems are "conventional;"
- Ziarno shows a type of wireless link, and a wireless modem is merely a "substitution of an art-recognized equivalent."

Point 1

In response, Appellant points out that describing wireless modems as "conventional" says nothing more than such modems exist in the prior art. That fact, by itself, is insufficient to justify addition of a wireless modem to Ziarno.

Point 2

As to the substitution-of-equivalents argument, Appellant points out that specific rules apply when such an argument is made. MPEP § 2144.06 states:

In order to rely on equivalence as a rationale supporting an obviousness rejection, **the equivalency must be recognized in the prior art**, and cannot be based on . . . the mere fact that the components at issue are functional or mechanical equivalents.

The PTO has never shown how a "wireless modem" is equivalent to the wireless apparatus in Ziarno. The PTO has failed to comply with this MPEP section.

Point 3

Not only has the PTO failed to show how a "wireless modem" is equivalent to the wireless apparatus in Ziarno, it is highly doubtful that such equivalence exists. Appellant here repeats his arguments in the Brief, on pages 21 - 22:

"Wireless Modem" Possesses Special Features

Claim 1(c) recites a "wireless modem."

That apparatus possesses features which generic "wireless" devices lack.

-- It is **directly connectable** to a telephone line, without modification.

-- It conforms to a standard architecture, and responds to a standard command set (such as the Hayes command set).

-- It can be directly interfaced to a computer.

In a word: a "wireless modem" is an off-the-shelf device which can be directly connected, without modification, to the apparatus described in Applicant's specification. That feature must be shown in Ziarno's generic "wireless" devices. That has not been done.

"Wireless Modem" Possesses PARTICULAR Special Feature

As the Specification, Figure 4, indicates, the "wireless modems" enable the terminals 40 to obtain access to the telephone lines 72. The terminals then make an ordinary telephone call, to validate a credit card.

Thus, a "wireless modem" allows terminal 40 to make a telephone call to the outside world.

Ziarno states that his terminals 100 contact his "fund raiser's terminal" 120, which is a local computer. (Column 10, lines 21 - 23.) A "wireless modem" is not needed for that, and possesses capabilities beyond those needed for that function.

(End citation from Brief.)

Therefore, the MPEP section cited above requires a showing that "equivalence" is recognized in the prior art. No showing has been made. Appellant has just shown that wireless modems are not

"equivalent" to the wireless device supposedly found in Ziarno, thus casting doubt on whether such recognition is even possible.

Point 4

Sentence 2 asserts that it would be "logical" to use a "wireless modem" in Ziarno. However, "logical" is not the standard of obviousness.

Further, the term "logical" is not applicable. One meaning of "logical" is to

- 1) begin with certain assumptions and
- 2) proceed or reason according to specified rules, in order to reach a conclusion.

But no such rules have been identified. The term "logical" is not applicable because, without the rules, one cannot verify whether, in fact, the PTO's assertion of logicality is true.

Further still, it appears that the PTO actually means that the PTO's proposed modification of Ziarno would come naturally to a person skilled in the art, since the modification follows standard engineering practice. However, that is contrary to MPEP § 2144.04(VI)(C), which states:

The mere fact that a worker in the art **could** rearrange the parts of the reference device to meet the terms of the claims on appeal is not by itself sufficient to support a finding of obviousness.

The prior art must provide a motivation or reason for the worker in the art, without the benefit of appellant's specification, to make the necessary changes in the reference device.

In addition, MPEP § 2143.01 states:

FACT THAT REFERENCES **CAN BE** COMBINED OR MODIFIED IS NOT SUFFICIENT TO ESTABLISH PRIMA FACIE OBVIOUSNESS

The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination.

. . .

FACT THAT THE CLAIMED INVENTION IS WITHIN THE CAPABILITIES OF ONE OF ORDINARY SKILL IN THE ART IS NOT SUFFICIENT BY ITSELF TO ESTABLISH PRIMA FACIE OBVIOUSNESS

A statement that modifications of the prior art to meet the claimed invention would have been "well within the ordinary skill of the art at the time the claimed invention was made" because the references relied upon teach that all aspects of the claimed invention were individually known in the art is not sufficient to establish a prima facie case of obviousness without some objective reason to combine the teachings of the references.

Thus, asserting that the modification is "logical" is tantamount to making the assertions prohibited by these MPEP sections.

Answer, Paragraph 2

The Answer, second paragraph, makes numerous points. These will be grouped together and addressed.

Group 1

Sentences 1 and 2 comprise this group. Sentence 1 states:

There is no requirement that a reference must show any evidence of record that the prior art . . . suggests the combinations. (Two court decisions cited.)

Appellant points out that the two court decisions cited have not been properly identified, as by identification of (1) the case reporter (such as USPQ or F.2d), and (2) the volume and page. Thus, the Answer's assertion is unsupported.

To repeat, the Answer cites the decisions as In re Sernaker and In re Deminski. Appellant is not required to (1) search thousands of court decisions to locate a Serniker decision and then (2) assume that the particular decision found is the one to which the PTO refers.

The Answer's assertion is unsupported.

Nevertheless, in response to the assertion, Appellant points out that it is inconsistent with the CAFC's decision of In re Dembicza, 175 F. 3d 994, 50 USPQ2d 1614 (Fed. Cir. 1999).

In brief, Dembicza states that

- **objective evidence** of a teaching for combining references must be provided;
- the Examiner's speculation does not qualify as objective evidence;
- numerous sources can provide a teaching to combine references;
- knowledge of one skilled in the art can act as a source;
- however, THE RANGE OF SOURCES AVAILABLE

DOES NOT DIMINISH THE REQUIREMENT FOR ACTUAL EVIDENCE;

-- broad conclusory statements by the Examiner do not qualify as evidence; and

-- "particular factual findings" as to the teaching are required, and gives reasons why **facts** are necessary.

Thus, the PTO's assertion is contrary to Dembiczak.

It is possible that a court decision exists which supports the PTO's assertion. However, it is likely that such a decision was rendered prior to Dembiczak. Dembiczak has overruled that decision.

For the PTO's assertion to be valid, the PTO must cite a court decision which is (1) later than Dembiczak and (2) issued by the CAFC or a higher court (ie, the US Supreme Court).

Sentence 2 states:

[Section 103 requires] that the invention was made by applying the knowledge clearly presented in the prior art.

This is addressed in Appellant's response to Sentence 1.

Group 2

The third sentence of paragraph 2 (beginning with "It further is not . . .") through the sixth sentence (beginning with "Therefore the 103 . . .") assert that

- 1) the references need not suggest specific

improvements (third sentence),

2) the PTO has shown a "parallel structure" between the claimed invention and "corresponding elements of Ziarno and others" (fourth sentence),

3) "the underlying inventiveness concepts of applicant's claimed invention is a wireless capability of performing a credit transaction, so does Ziarno" (fifth sentence),

4) therefore, no hindsight is being used (sixth sentence).

ASSERTION (1)

As to assertion (1), Dembiczak governs.

ASSERTION (2)

As to assertion (2), the concept of a "parallel structure" is incorrect.

-- For example, claim 1 states that the "portable terminal" contains a "printer." The PTO admits that Ziarno does not show that. (Because obviousness was used to supply the printer.)

-- As another example, claim 1 recites a "wireless modem." The PTO admits that Ziarno does not show that. (Because "equivalence"

was used to supply the printer.)

Given the absence of at least these two elements (printer and wireless modem) from Ziarno, what is the meaning of "parallel structure" ? Restated, if claim 1 is different from Ziarno, how is it "parallel" ?

There is no "parallel structure" between claim 1 and Ziarno.

Further, the "parallel structure" is said to be found in "Ziarno and others." That is a meaningless statement. Plainly, the PTO sees that Ziarno is different from claim 1, so the PTO finds the differences in "well known" art, and then asserts that a "parallel structure" has been shown.

That is meaningless. As a minimum, a definition of "parallel" is required.

Further still, no court decision has been cited in support of this notion of "parallel structure."

Clearly, Appellant's claims were used to generate this supposed "parallelism." That is hindsight.

ASSERTION (3)

Assertion (3) reduces the invention to a "gist." This is **specifically prohibited**. MPEP § 2141.02, second heading, states:

Distilling the Invention down to a "Gist" or "Thrust" . . . disregards "as a whole" requirement.

Further, Assertion (3) asserts that the "gist" of the claims is the same as the "gist" of Ziarno. The MPEP section cited above

prohibits this.

Further still, Assertion (3) is factually incorrect. It asserts that Ziarno shows wireless credit card transactions. He does not. At best (for the PTO), he says that his portable devices may communicate in wireless manner with a local central server. But that server is the one which validates the credit cards with the banks. Thus, Ziarno shows wireless involvement with **part** of a credit card transaction.

ASSERTION (4)

Assertion (4) does not follow, as a matter of logic, from the preceding 3 assertions. This is shown by the pattern of the essential argument.

The essential argument is that the PTO has shown similarities between (1) the claims and (2) Ziarno and "others." Thus, the PTO concludes, no hindsight is present.

But the conclusion does not follow from the premise. The presence of similarities between (1) claims and (2) the prior art does not show absence of hindsight.

The hindsight lies in self-evident procedure undertaken by the PTO. The PTO admits to drawing a "parallel structure." But, to cure defects in that "structure," the PTO needed to add "the others" (the printer and the modem, absent from Ziarno).

Plainly, Appellant's claims were used as a check-list for selecting the others. The claims were used as a check-list, so that elements in the prior art (Ziarno, the printer, and the modem)

could be selected as "parallel."

That is hindsight.

Further, no other teaching under section 103 has been presented as a basis for selecting those elements in the prior art. Thus, since no teaching has been provided, the basis must be hindsight.

Sentence 7 belongs in this group, and states:

In light of Appellant's argument, the examiner further submits that there is no requirement that a motivation to make the modification be expressly articulated.

Insofar as this sentence asserts that Appellant's argument leads to the conclusion that the stated requirement does not exist, Appellant points out that no support for this assertion has been given. Nor do Appellant's arguments intend such a conclusion.

This sentence is ambiguous.

On the one hand, if it means that **the PTO** need not articulate a motivation for modifying references, then it is false. The PTO **ALWAYS** needs to articulate such a motivation, as Dembiczak points out.

On the other hand, if it means that **the prior art** need not articulate the motivation, that may be technically true. But the PTO still must provide a motivation, as required by Dembiczak.

Group 3

Group 3 contains sentence 8 (beginning with "The test for . . .") and 9 (beginning with "Therefore, one can not . . .")

Sentence 8 sets forth a standard legal principle. A McLaughlin case was cited in support of that principle.

Sentence 9 is problematical, and is set forth:

Therefore, one cannot show non-obviousness by attacking the references individually where the rejections are based on a combination of references.

Appellant points out that McLaughlin does not support this concept.

This sentence, taken literally, would seem that one can never rebut a 103 rejection, because, to rebut, one **must** attack references individually. Thus, this interpretation is not correct.

The court decisions which apply sentence 9 do so in the following context. A claim recites elements A through C.

- Reference 1 shows element A,
 - Reference 2 shows element B, and
 - Reference 3 shows element C.

"Attacking the references individually" means arguing that

Reference 1 lacks elements B and C,

Reference 2 lacks elements A and C, and

Reference 3 lacks elements A and B

and also concluding that the invention is not obvious because of this.

Plainly, this is not effective, because the **combination** of references contains all necessary elements. The fact that reference 1 lacks element B is not relevant, if another reference shows B. (Whether a teaching for making the combination has been

shown is not here considered.)

Appellant never "attacked the references individually," in this manner.

Group 4

The two last sentences of the second paragraph (beginning with "The Examiner is of the view . . .") set forth an opinion of the Examiner, namely, that it is obvious to replace Ziarno's wireless transmitter/receiver with a wireless modem because of "the widespread use of the wireless modems for connecting portable devices to a network." Several problems exist in this.

One is that the Examiner's opinion is clearly a "broad conclusory statement" of the Examiner, which is prohibited by Dembiczak.

A second problem is that the Examiner's opinion, even if correct, is not dispositive. The opinion assumes that if a wireless modem is added to Ziarno, then claim 1 is obtained. That is not so. Claim 1 recites a "printer" in the "portable terminal." That has not been shown.

Answer, Paragraph 3

Paragraph 3 is taken as that spanning from the phrase "Applicant specifically argues" to the phrase "transactions which is not considered novel."

Point 1

The content of paragraph 3 has been addressed by the Brief, page 5 et seq. Appellant here repeats a few major points.

One, Ziarno already performs printing of the receipts which the PTO proposes. There is no reason to add other printers.

Two, the PTO proposes **fundamental changes** in Ziarno. In Ziarno, customers swipe credit cards into portable terminals, to make charitable contributions. The terminals are passed around, as in a banquet hall, so that all customers can donate.

Those contributions are collected and, at the end of the day, they are submitted en masse to the credit card companies. Receipts are then mailed to the customers.

The fundamental changes include these:

1) The PTO wants Ziarno to print out a receipt, using the portable device. But that cannot be done, because the portable device cannot verify that the credit card company has accepted the charge.

Thus, the PTO wants to (A) add printers to Ziarno's portable devices and (B) have those devices verify donations with the credit card companies.

Those are fundamental changes.

2) As the Brief explains, those changes are **explicitly contradicted** by Ziarno. Ziarno states that his portable devices should spend

maximum time collecting contributions. That is why he postpones verification until the end of the day.

Point 2

The end of paragraph 3 asserts that hand-held devices which print receipts are well known. Then paragraph 3 states:

Thus, printing a receipt to a customer would fall in the traditional method of giving customers record of the transactions, which is not considered novel.

Appellant points out that this is not the standard of obviousness. The Answer is assuming that addition of a well known printer to Ziarno is not "novel." That is not the standard of obviousness.

Also, this assertion suffers the same type of defect as does paragraph 1. The assertion assumes that adding the printer to Ziarno produces claim 1. That is not so.

Point 3

Section 103 requires that the "subject matter" of the invention "as a whole" must be obvious.

The Answer has not shown that.

-- In paragraph 1, it asserts that addition of a wireless modem to Ziarno is obvious, for certain reasons.

-- In paragraph 3, it asserts that addition

of a printer is obvious, for other reasons.

That does not show that Ziarno-plus-printer-plus-modem is obvious, "as a whole."

From another point of view, even if the Answer's arguments are accepted (which is not so), they lead to these conclusions:

Ziarno plus modem is obvious, and

Ziarno plus printer is obvious.

That does not show that claim 1 is obvious. That, if correct, merely shows that two **sub-sets** of claim 1 are obvious.

The PTO must show that a combination of the two subsets **with each other** is obvious. That has not been done.

Answer, Paragraph 4

Paragraph 4 is apparently addressing some of the Brief's arguments regarding claim 3, which states:

3. Terminal according to claim 1, and further comprising:

f) means for transmitting a code which identifies said terminal to said base station.

An Aside

The only relevant part of Paragraph 4 is the end. That part asserts that, in banking network transactions, remote terminals are identified by a code. However, no teaching has been provided for combining that with Ziarno.

Further, no explanation has been given of what Ziarno would do with such a code. Since Ziarno validates credit card transactions, he is already assigned a "merchant number," by which he identifies himself when he phones in the credit card numbers. Why does he need another code ?

In addition, claim 3, by its parent claim, states that the code is transmitted in wireless manner. Even under the PTO's combination, that is not shown.

End Aside

Some background is necessary. The Brief pointed out (page 27 et seq.) that claim 3 has never been shown in the prior art. In apparent recognition of this absence, a previous Office Action asserted that the "code" of claim 3 was "necessary" in Ziarno. The Brief pointed out that this is a naked conclusion, and, as such, is insufficient.

Then the Brief pointed out that, in fact, no necessity exists at all, and gives several examples of how Ziarno could identify his portable devices to the central computer with which they communicate.

Thus, to summarize this background, Appellant showed that, even if Ziarno wanted his portable devices to identify themselves, a "code" is not "necessary." Numerous other approaches can be

used.

Point 1

The Answer, in paragraph 4, first sentence, refers to these alternate identification approaches, and states that Ziarno could use them. However, that does not show claim 3.

Further, the assertion that Ziarno **could** use an approach is not allowed as a basis for a 103-rejection, as the MPEP sections cited above indicate.

Still further, those approaches have not been shown in the prior art.

In any case, claim 3(f) has not been shown in the prior art. MPEP § 2143.03 states:

To establish prima facie obviousness . . . **all the claim limitations** must be taught or suggested by the prior art.

Point 2

Paragraph 4 asserts that knowledge of one skilled in the art can provide the teaching to combine references. Appellant points out that Dembiczak sets forth the requirements.

Point 3

In relying on knowledge of one skilled in the art, the Answer first asserts that

Since Ziarno's system is used in large environments which requires several transaction terminals, it would make very

little sense if they all work based on direct communication links.

Appellant submits that this assertion, on its face, is both incorrect and non-usable.

It is non-usable because the term "direct communication link" is not defined. Thus, we do not know **what** actually makes "very little sense."

It is incorrect because persons use cell phones in "large environments" every day, such as airports. The undersigned attorney believes that cell phones, in transmitting directly to cell towers, qualify as using "direct communication links" in that sense. Thus, the statement is incorrect.

Point 4

So far, in paragraph 4, the Answer has not shown the "code" as in claim 3.

In the final sentence, the Answer states:

The modification set forth regarding claim 3 is based on the fact that most banking network and credit transaction networks identify their remote terminals by terminal number or code.

That does not show claim 3. That merely asserts that "banking network and credit transaction networks" identifying "their remote terminals by terminal number or code" is found in the prior art.

No teaching has been given for combining that with Ziarno.

Further, in claim 3, the code is sent over a wireless modem. The Answer has not shown that in its "banking networks" etc.

Answer, Paragraph 5

The discussion given above applies to claim 8.

Answer, Paragraph 6

This paragraph (beginning with "Regarding claim 9 . . .") combines a "typical electronic credit card reader" with Ziarno, on the grounds that the claimed features thereby obtained are "well within the skill level and expectations of an ordinary skilled artisan."

That is **specifically prohibited** by the MPEP. MPEP § 2143.01 states:

FACT THAT REFERENCES CAN BE COMBINED OR MODIFIED IS NOT SUFFICIENT TO ESTABLISH PRIMA FACIE OBVIOUSNESS

The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination.

. . .

FACT THAT THE CLAIMED INVENTION IS WITHIN THE CAPABILITIES OF ONE OF ORDINARY SKILL IN THE ART IS NOT SUFFICIENT BY ITSELF TO ESTABLISH PRIMA FACIE OBVIOUSNESS

A statement that modifications of the prior art to meet the claimed invention would have been "**well within the ordinary skill of the art at the time the claimed invention was made**" because the references relied upon teach that all aspects of the claimed invention were individually known in the art is not sufficient to establish a prima facie case of obviousness without some objective reason to combine the teachings of the references.

In addition, claim 9 recites wireless transmission. The Answer has not shown that in its "typical electronic credit card reader" performs that type of transmission. For a rejection under section 103 to stand, all claim recitations must be found in the applied art.

Also, the "means for instructing" of claim 9(a) have not been shown in the prior art. Appellant points out that section 112 states:

An element in a claim for a combination may be expressed as a **means** or step for performing a specified function without the recital of structure, material, or acts in support thereof,

and

such claim shall be construed to cover the **corresponding structure, material, or acts described in the specification and equivalents thereof.**

The Answer has not shown the "structure" of the Specification, nor "equivalents thereof" in the prior art.

Paragraph 6 states:

Let assume for argument sake that Ziarno only interested in off-line transaction, then the use of a printer for printing receipts is strongly implied.

The latter phrase is a false statement.

Ziarno, in his **preferred embodiment**, is already "off line." There is no need for an assumption. (He is "off line" because his central computer is not using any telephone "line" to verify the

credit card donations received by his portable devices.)

At that time, Ziarno prints no receipts. That is why the latter phrase is false.

Further, Ziarno already shows a (stationary) printer. If the Answer's implication be accepted as valid, namely, that printing is desirable, then Ziarno can use that **pre-existing** printer to print those receipts. But that does not lead to claim 9.

Answer, Paragraph 7

Appellant expresses puzzlement. Paragraph 7 refers to claim 10. However, the Final Office Action (mailed 11/10/98) states that claims 1, 3 - 9, and 11 - 18 are pending. The Appeal Brief states that those same claims are appealed.

Claim 10 does not appear to be pending.

Answer, Paragraph 8

Paragraph 8 concerns claim 11, which recites:

11. Method according to claim 8, in which the data is carried by an ATM network during part of its travel to the system which maintains accounts of credit transactions.

The Answer asserts that, since Ziarno utilizes a telephone line to validate credit card transactions, then it would be obvious to utilize an "ATM network" to do so.

Appellant points out that the Answer overlooks a critical fact, namely, that a party (like Ziarno) who calls a bank to verify a credit card is never given access to an "ATM network." ATM

networks are closed systems.

Restated, even though something that resembles a physical telephone wire enters a closet where an ATM is kept, nobody outside the ATM network can reach that telephone line. You cannot hack into that telephone line from your home computer.

The reason is that the telephone line in question is not part of the overall telephone system. There is no "telephone number" associated with that line. The line is part of a private, closed network. The purpose is security: to keep hackers out.

Therefore, Ziarno, as a merchant who verifies credit cards, has no access to an ATM network. Thus, such a network is not shown in Ziarno, nor implied.

The Answer has not show such a network in any other reference.

The Answer asserts that "credit transaction networks" are often part of an ATM network, and that these are "inherent" in Ziarno. MPEP § 2112 states:

EXAMINER MUST PROVIDE RATIONALE OR EVIDENCE TENDING TO SHOW INHERENCY.

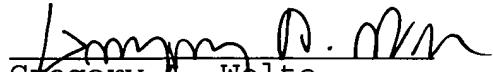
In relying upon the theory of inherency, the examiner must provide a **basis in fact and/or technical reasoning** to reasonably support the determination that the allegedly inherent characteristic necessarily flows from the teaching of the applied prior art.

The "basis in fact and/or technical reasoning" have not been shown. The reliance on inherency cannot stand.

CONCLUSION

Appellant requests that the Board reverse the rejections, and pass all claims to issue.

Respectfully submitted,



Gregory A. Welte
Reg. No. 30,434

NCR Corporation
1700 South Patterson Blvd.
Dayton, OH 45479
March 15, 2004
(937) 445 - 4956